

MULTIMEDIA



UNIVERSITY

STUDENT ID NO

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MULTIMEDIA UNIVERSITY

SUPPLEMENTARY EXAMINATION

TRIMESTER 1, 2015/2016

PBU0045 – INTRODUCTION TO BUSINESS MANAGEMENT

(Foundation in Engineering, Foundation in Information Technology, Foundation in
Life Sciences, Foundation in Law and Foundation in Management)

18 NOV 2015
2.30 PM – 4.30 PM
(2 HOURS)

INSTRUCTIONS TO STUDENT

1. This question paper consists of **EIGHT** pages.
2. Answer **ALL** questions in **Sections A, B, and C**.
3. Shade your answers for **Section A** on the OMR sheet. Write your answers for **Section B and C** in the Answer Booklet.

SECTION A: MULTIPLE CHOICE [40 MARKS]

Instructions: Answer **ALL** questions in this section. Shade your answers on the **OMR** sheet.

1. Mission statement of a company refers to _____.
 - A. a statement that communicates both the purpose and the values of the business
 - B. a statement that details measurable objectives and its methods of achieving them
 - C. a statement that presents how the organisation will achieve its purpose in the environment it operates
 - D. a statement that outline the specific objectives that have been predetermined by the top managers of the company
2. An individual who is responsible in executing the strategies of a firm and ensuring that the members work towards setting the objectives of the firm are _____.
 - A. top managers
 - B. middle managers
 - C. first-line managers
 - D. production managers
3. Which kind of strategy takes place at the level of the product line and focuses on a firm's competitive position?
 - A. Local strategy
 - B. Business strategy
 - C. Functional strategy
 - D. Fundamental strategy
4. What identifies performance targets used by organisations and their managers to measure success or failure at every level?
 - A. Goals
 - B. Tactics
 - C. Strategies
 - D. Mission statements
5. The process of designing specific jobs that need to be done and indentifying the people who will perform them is known as _____.
 - A. group tasks
 - B. segmentation
 - C. job specialisation
 - D. departmentalisation
6. Which of the following refers to the power to make decision necessary to complete a task?
 - A. Authority
 - B. Delegation
 - C. Responsibility
 - D. Accountability

Continued...

7. Determining how people performing certain tasks can be group together is called _____.
- A. directing
 - B. controlling
 - C. leadership
 - D. departmentalization
8. Jim's marketing team is organising a marketing campaign for their new product to be released next year. In doing so, they need to have a detailed schedule that shows the sequence of activities from start to finish and the critical path in completing the project. Which project scheduling tool would be most appropriate for Jim to use?
- A. Gantt Chart
 - B. PERT Chart
 - C. Follow up Chart
 - D. Operation Control
9. Equipment and people are grouped according to function in which type of production layout?
- A. Cellular
 - B. Same- steps
 - C. Supply-chain
 - D. Custom-products
10. Which type of system is designed for smooth production flow to avoid inefficiencies, eliminate unnecessary inventories, and continuously improve production processes?
- A. Lean system
 - B. Flexible system
 - C. Managed system
 - D. Production system
11. Which term refers to the acquisition of the raw materials a company needs to produce its products?
- A. Purchasing
 - B. Wholesaling
 - C. Development
 - D. Quality control
12. Which of the following term refers to all activities involved in getting quality products into the marketplace?
- A. Quality planning
 - B. Advance planning
 - C. Materials management
 - D. Total quality management

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13. With job sharing, employees often experience increased _____.
A. turnover
B. flexibility
C. disruptive
D. counterproductive
14. Which of these is one of the "big five" personality traits?
A. logic
B. openness
C. creativity
D. organization
15. Which of the following might you, as a manager, expect to see in an employee who has a low degree of conscientiousness?
A. A tendency toward mood swings
B. An inability to work in a team setting
C. An ability to meet deadlines without fail
D. A tendency to be unprepared at meetings
16. The extent to which people are self-aware is an aspect of which of the following?
A. Attitude
B. Social skills
C. Negative emotionality
D. Emotional intelligence
17. Which of the following **BEST** describes task-focused behaviour?
A. Concentration on how tasks should be performed
B. Concentration on when tasks should be performed
C. Concentration on which tasks should be performed
D. Concentration on who should perform which tasks
18. Daiki spends most of his time performing normal, routine tasks. Which of the following types of leadership is he primarily involved with?
A. Charismatic leadership
B. Behavioural leadership
C. Transactional leadership
D. Transformational leadership
19. GDB Technologies has had lackluster performance for the past few years. Choi is hired in an attempt to give new life to the company's prospects and give it new direction away from its current situation. Which of the following **BEST** describes Choi's leadership role?
A. Situational
B. Charismatic
C. Transactional
D. Transformational

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20. Which of the following type of training occurs while the employee is at his or her place of work?
- A. Remote training
 - B. Incentive training
 - C. Vestibule training
 - D. On-the-job training
21. Fletcher is meeting with each of his subordinates to discuss their performance over the past year. What process is he involved in?
- A. Job description
 - B. Labour negotiations
 - C. Vestibule assessment
 - D. Performance appraisal
22. Which term refers to the situation in which middle managers are rewarded for especially productive output, such as for producing earnings that significantly exceed the cost of bonuses?
- A. Wage inflation
 - B. Salary sacrifice
 - C. Pay for performance
 - D. A merit salary system
23. What part of the marketing mix includes communicating information about products?
- A. Price
 - B. Place
 - C. Product
 - D. Promotion
24. Which of the following identifies products that are dissimilar from those of competitors but can fulfill the same need?
- A. Product shift
 - B. Brand competition
 - C. Substitute products
 - D. The marketing mix
25. What is the term for the process of creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organisation and its stakeholders?
- A. Marketing
 - B. Controlling
 - C. Financial planning
 - D. Industrial planning

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26. A firm that wanted to conduct a short-term activity in order to boost consumer buying would use which of the following strategies?
- A. Trade shows
 - B. Sales promotion
 - C. Missionary selling
 - D. Point-of-sale display
27. Which of the following gives the correct formula for calculating markup percentage?
- A. $\text{sales price} / \text{markup}$
 - B. $\text{markup} / \text{sales price}$
 - C. $\text{sales price} / \text{fixed costs}$
 - D. $\text{sales price} / \text{variable costs}$
28. Odd-even pricing falls under which category of which of the following?
- A. Price lining
 - B. Price fixing
 - C. Price skimming
 - D. Psychological pricing
29. Which of the following refers to the financial statement detailing a firm's assets, liabilities, and owners' equity?
- A. Balance sheet
 - B. Income statement
 - C. Statement of cash flow
 - D. Sales and Purchase statement
30. Which of the following term refers to the recording of financial transactions?
- A. Auditing
 - B. Controlling
 - C. Accounting
 - D. Bookkeeping
31. Which of the following term refers to the amount of money that owners would receive if they sold all of a company's assets and paid all of its liabilities?
- A. Asset
 - B. Liability
 - C. Account
 - D. Owners' equity
32. Which of the following financial institutions is considered a thrift institution?
- A. Credit union
 - B. Pension fund
 - C. Commercial bank
 - D. Securities investment firms

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33. Which of the following agency guarantees the safety of all of its members' bank accounts?
- A. Federal Reserve Bank
 - B. Internal Revenue Service
 - C. Federal Exchange Commission
 - D. Federal Deposit Insurance Corporation
34. Which of the following term refers to the interest level at which member banks can borrow money from the Federal Reserve System?
- A. Key rate
 - B. Prime rate
 - C. Discount rate
 - D. Federal insurance premium
35. What is the term for the proportion of funds invested in each of several investment alternatives?
- A. Shorting
 - B. Spreading
 - C. Diversification
 - D. Asset allocation
36. What value of a stock is calculated by dividing total shareholders' equity by the total number of shares of stock issued?
- A. Par value
 - B. Book value
 - C. Total value
 - D. Market value
37. What is the term for buying several different kinds of investments rather than just one?
- A. Capital gain
 - B. Diversification
 - C. Asset allocation
 - D. Price appreciation
38. Insurance is one of the ways to manage risks. The criteria for a risk that is insurable is _____.
- A. verifiability
 - B. losses are paid
 - C. intentional act
 - D. occur dependently of other losses

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39. Which of the following best refer speculative risk?

- A. Buying Microsoft shares
- B. Investing in real estate
- C. Diversify on the existing product line
- D. All of the above

40. Key person insurance _____.

- A. helps the business gain their lost income
- B. insure physical damage or loss of the personal property
- C. covers the loss of the talents and skills of key employees
- D. covers employees for medical expenses and loss of wages

SECTION B: SHORT ANSWER [40 MARKS]

Instructions: Answer **ALL** questions in this section. Write your answers in the Answer Booklet.

1. State the **FIVE** basic management skills. (5 marks)
2. a) Define 'organisational structure' (1 mark)
b) State the **FOUR** basic forms of organisational structure (4 marks)
3. a) Define 'operation' (1 mark)
b) What are the differences between service and goods manufacturing operations? (4 marks)
4. List the "Big Five" personality traits. (5 marks)
5. Trait approach to leadership is by focusing on indentifying the essential traits that distinguished leaders. State any **FIVE** traits. (5 marks)
6. a) Define consumer behaviour (1 mark)
b) List **FOUR** influences on consumer behaviour. (4 marks)
7. a) Write out the accounting equation. (3 marks)
b) What is the difference between financial accounting and managerial accounting? (2 marks)
8. a) What is the difference between primary securities market and secondary securities market? (2 marks)
b) Define the following financial terms.
 - i) Diversification
 - ii) Asset allocation
 - iii) Portfolio(3 marks)

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SECTION C: ESSAYS [20 MARKS]

Instructions: Answer **ALL** questions in this section. Write your answers in the Answer Booklet.

1. Due to the economic slowdown, Sumitomo Mitsui Bank has decided to retrench 20% of its employees and not to award bonuses to all. The leader of the labour union met with the President of Sumitomo Mitsui to voice their dissatisfaction and to appeal for a small bonus or incentive. Should the bargaining process between the labour union and the management fail, what are the possible actions and what can the bank do to counter the negative outcome?

(10 marks)

2. a) Bridgestone corporation is a multinational auto and truck parts manufacturer. The company recently developed a new product and they are trying their best to compete with their competitor Michelin. Discuss the main components of promotional mix.

b) Assume that a customer is evaluating the alternatives between Bridgestone tyres and Michelin tyres. What type of promotional tool should Bridgestone implement?

(10 marks)

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